

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-101
June 16, 2008

Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

RECEIVED

OCT 25 2010

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE

HOBBSOCD

| | | |
|---|---|--|
| ¹ Operator Name and Address Occidental Permian Limited Partnership P.O. Box 4294, Houston, TX 77210-4294 | | ² OGRID Number 157984 |
| | | ³ API Number 30- 025-05492 |
| ⁴ Property Code 19520 | ⁵ Property Name North Hobbs G/SA Unit | ⁶ Well No. 431 |
| ⁹ Proposed Pool 1 Hobbs; Grayburg-San Andres | | ¹⁰ Proposed Pool 2 |

⁷ Surface Location

| UL or lot no. | Section | Township | Range | Lot. Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|----------|---------------|------------------|---------------|----------------|--------|
| I | 25 | 18-S | 37-E | | 2310 | South | 330 | East | Lea |

⁸ Proposed Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot. Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|----------|---------------|------------------|---------------|----------------|--------|
| I | 25 | 18-S | 37-E | | 2451 | South | 1097 | East | Lea |

Additional Well Location

| | | | | |
|---|--|---------------------------------------|--|--|
| ¹¹ Work Type Code Sidetrack | ¹² Well Type Code Injector | ¹³ Cable/Rotary | ¹⁴ Lease Type Code State | ¹⁵ Ground Level Elevation 3649' GR |
| ¹⁶ Multiple | ¹⁷ Proposed Depth 4586' | ¹⁸ Formation San Andres | ¹⁹ Contractor | ²⁰ Spud Date |

²¹ Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-------------|-------------|--------------------|---------------|-----------------|-----------------|
| 16 | 12-1/2 | 50 | 215 | 260 | Surface (Circ.) |
| 11-3/4 | 9-5/8 | 36 | 2750 | 650 | 365' (Calc.) |
| 8-3/4 | 7 | 26 | 3977 | 300 | 2163' (Calc.) |
| Liner | 5-1/2 | 15.5 | 3000 - 4568' | 110 | 3000' (TOL) |
| (to be run) | | | | | |

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Occidental Permian Limited Partnership proposes to sidetrack the subject well to a new BHL (within the Hobbs;Grayburg-San Andres Pool) as shown on the attached Form C-102 and in accordance with the procedure outlined on the attached Form C-103. The well will also be returned to active injection status (copy of AO PMX-89, 8/26/80, is also provided as a part of this APD).

Permit Expires 2 Years From Approval
Date Unless Drilling Underway

PMX-260

| | | | |
|--|-----------------------|--|------------------|
| ²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. | | OIL CONSERVATION DIVISION | |
| Signature: Mark Stephens | | Approved by: [Signature] | |
| Printed name: Mark Stephens | | Title: PETROLEUM ENGINEER | |
| Title: Regulatory Compliance Analyst | | Approval Date: APR 12 2011 | Expiration Date: |
| E-mail Address: Mark.Stephens@oxy.com | | | |
| Date: 10/21/10 | Phone: (713) 366-5158 | Conditions of Approval Attached <input type="checkbox"/> | |

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RECEIVED
State of New Mexico
Energy, Minerals & Natural Resources Department
OCT 25 2010
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
HOBBSUCD Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease- 4 Copies
Fee Lease- 3 Copies
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|---|---|
| API Number 30-025-05492 | Pool Code 31920 | Pool Name Hobbs; Grayburg-San Andres |
| Property Code 19520 | Property Name NORTH HOBBS G/SA UNIT | Well Number 431 |
| OGRID No. 157984 | Operator Name OCCIDENTAL PERMIAN LTD. | Elevation 3658.6' |

Surface Location

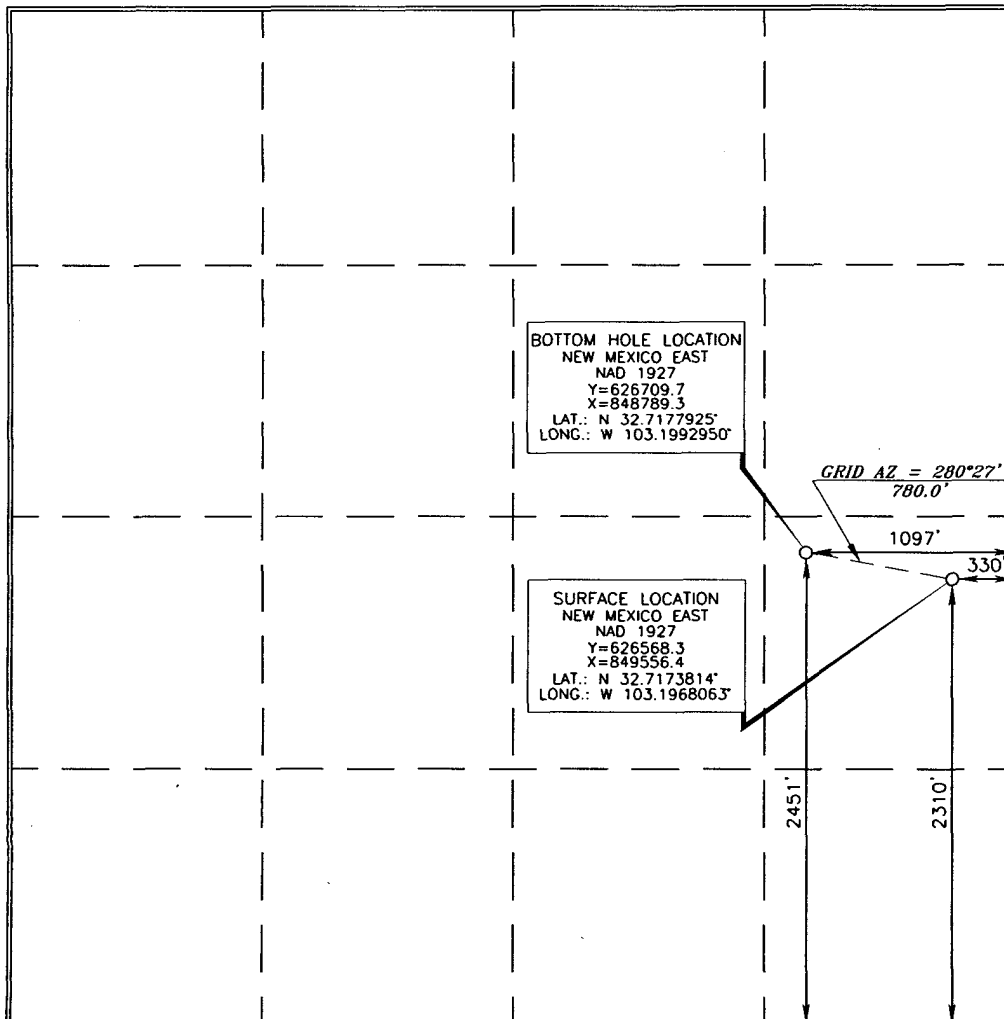
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| I | 25 | 18 SOUTH | 37 EAST, N.M.P.M. | | 2310' | SOUTH | 330' | EAST | LEA |

Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------------------|---------|---------------|------------------|---------------|----------------|--------|
| I | 25 | 18 SOUTH | 37 EAST, N.M.P.M. | | 2451' | SOUTH | 1097' | EAST | LEA |

| | | | |
|-----------------------|-----------------|--------------------|-----------|
| Dedicated Acres 40 | Joint or Infill | Consolidation Code | Order No. |
|-----------------------|-----------------|--------------------|-----------|

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Mark Stephens 10/21/10
Signature Date

Mark Stephens
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

15079
OCTOBER 4, 2010
Date of Survey

Signature and Seal of Professional Surveyor

Terry J. Paul 10/18/2010
Certificate Number 15079

WO# 101004WL (KA)